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CENTRAL INTELLIGENCE AGENCY Directorate of Intelligence 8 November 1967

## MEMORANDUM

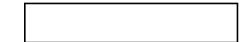
SUBJECT: The Arab Position Regarding a Peace Settlement

## Summary

The Arabs' basic attitudes toward a peace settlement have remained constant since the end of hostilities. Their negotiating position, however, has become clearer. They now accept "nonbelligerency," Israel's existence, and freedom of navigation through Suez and Tiran. "Nonbelligerency," however, is directly tied to Israeli agreement to an Arab refugee settlement, which would include repatriation or compensation. They refuse to accede to the Israeli demand for face-to-face negotiations, but would accept a UN go-between. The Soviets have encouraged the Arabs to be more realistic but Moscow cannot afford to get too far out in front of the Arab position.

Note: This memorandum was prepared solely by CIA. It was produced by the Office of Current Intelligence and coordinated with the Office of National Estimates and the Clandestine Services.

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- 1. Although the Arabs' position on a peace settlement with Israel may appear to have hardened in recent weeks, what really has happened is that their basic attitudes have become clearer. From the very first days after the war the Arabs have insisted that any settlement must not involve territorial acquisition by Israel. What is new is the emphasis Arab leaders now place on the linkage between Israeli passage through the Suez Canal and an Arab refugee settlement. This, in turn, is directly connected to the Israeli demand for an end of "belligerency." In Arab eyes the end of Arab "belligerency" also entails a reciprocal Israeli acceptance of responsibility for the refugees; i.e., accept the repatriation of those who desire it or pay adequate compensation for seized Arab properties.
- 2. New Arab attitudes have evolved, however, from where they were before last June's war. The Arabs now are ready to acknowledge Israel's existence, although they continue to reject diplomatic relations. Arab acceptance of the concept of non-belligerency also is new.
- 3. With regard to Suez, Nasir believes that he can consent to Israeli passage only if he can present the Arab people with the quid pro quo of Israel's acceptance of its responsibility for the refugees.

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- 4. Nasir believes that the US attitude on Arab-Israeli questions is pro-Israel, and he suspects that it has been formulated through connivance with the Israelis. He and other Arab leaders believe that the US position is hardening, and they cite as evidence the decision to send arms to Israel, the banning of Egyptian cotton sales to the US, and their conviction that the US position on Jerusalem and territorial integrity has changed since the President's "Five Points" were enunciated.
- 5. In short, King Husayn and Nasir--having expressed their readiness to end their state of belligerency, to acknowledge Israel's right to exist, and to permit Israeli traffic through Suez and Aqaba in return for a refugee settlement--believe they have gone a considerable distance toward achieving a reasonable accommodation with Israel. To agree to direct negotiations would be, in Arab eyes, to bow to the enemy's demands. These leaders clearly are sincere in doubting that they, or any Arab leaders, could survive such a "sell-out." Their firmness on this point however, probably would not preclude contact with the Israelis through a UN mediator.
- 6. The Soviets have encouraged the Arabs to be more realistic. Moscow has encouraged the Arabs to recognize the

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existance of Israel, end the state of belligerency, and accept political solutions to the remaining problems.

Nevertheless, Moscow cannot afford to get too far in front of the Arab position and may therefore be circumspect in any strong public endorsement of these terms.

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